

Contact: Riccardo F. Ginex

Phone: (630) 368-5020

Email: rginex@oak-brook.org

FOR IMMEDIATE RELEASE

VILLAGE WINS SHEAHAN PENSION APPEAL

OAK BROOK, IL –June 29, 2015– The Second District Appellate Court has agreed with the Village of Oak Brook and confirmed the invalidity of much of the pension liability related to former Oak Brook Police Chief Thomas Sheahan. In a 20-page written opinion, Justice Zenoff ruled that Mr. Sheahan's attempts to transfer previous credits from service with Deerfield and Chicago violated the Illinois Pension Code. The Appellate Court decision affirmed the June 17, 2014 Circuit Court decision that had likewise ruled in favor of the Village.

"Left unchecked, Mr. Sheahan's improper transfers would have left the Village with an unfunded liability of over \$740,000, notwithstanding that Mr. Sheahan worked in the Village for just over six years," said Village President Gopal Lalmalani. "I am very pleased that the Appellate Court honored the rule of law to prevent yet another example of pension abuse in our state."

The case arose after Mr. Sheahan resigned from the Village. The Village then received a notice of pension liability for Mr. Sheahan from the Illinois Municipal Retirement System of more than \$740,000. The Village immediately contested the liability and appealed to the IMRF Board, which upheld the pension following a full hearing. The Village appealed to the Circuit Court.

"The Illinois Pension Code is a complicated web of statutory provisions that encourages some public employees to look for loopholes to maximize their pension payouts," explained Village Attorney Peter Friedman. He continued -- "while the taxpayers must foot the bill for loopholes that are legal, the taxpayers and the courts should not allow public employees who do not comply with the law to reap windfalls. Mr. Sheahan sought to exploit the Pension Code, at the expense of Oak Brook residents, by attempting to transfer his previous pension service credits into a special IMRF pension program for police chiefs (called SLEP), but he did not comply with the law when doing so, as today's ruling rightly again confirms."

Mr. Sheahan may appeal further to the Illinois Supreme Court, but that is not an appeal of right and the Illinois Supreme Court may decline to hear the case.

About Oak Brook:

Founded in 1958, the Village of Oak Brook is located 15 miles west of downtown Chicago and is in proximity to the junction of Interstates 88, 294, and 290. The Village consists mostly of residential subdivisions, with the exception of the Oak Brook Center shopping mall, other retail and office properties along 22nd Street and Interstate 88. Oak Brook is the home of many corporate offices, most notably, the world headquarters of McDonald's Corporation, Ace

VILLAGE OF
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Illinois

Hardware, Tree House Foods, Inland Real Estate and the service club organization Lions Clubs International. Oak Brook is also known for being one of the few municipalities in the Chicago area that does not levy a property tax on residents or businesses. To learn more about Oak Brook, please visit <http://www.oak-brook.org>.

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